

# Senate Study Bill 3096 - Introduced

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON LABOR AND BUSINESS  
RELATIONS BILL BY  
CHAIRPERSON DICKY)

## A BILL FOR

- 1 An Act relating to unemployment benefits and including
- 2 effective date provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1     Section 1. NEW SECTION.   14.1   State publications —  
2 unemployment rates.

3     1. For the purposes of this chapter:

4     *a. "Nonparticipating workforce rate"* means the portion of  
5 the population that is not employed or earnestly and actively  
6 seeking work as described in section 96.4, subsection 3.

7     *b. "Workforce term"* means the nonparticipating workforce  
8 rate, the state unemployment rate, or the number of known,  
9 available jobs in Iowa as published by the department of  
10 workforce development.

11    2. When a state agency makes a reference to the state  
12 unemployment rate in an official written statement from the  
13 agency or a report or other document that is published and  
14 available to the public, the agency shall include a reference  
15 to the nonparticipating workforce rate.

16    3. When the department of workforce development makes a  
17 reference to a workforce term in an official written statement  
18 or a report or other document that is published and available  
19 to the public, the department of workforce development shall  
20 also reference each other workforce term.

21    Sec. 2. Section 96.1A, subsection 18, unnumbered paragraph  
22 1, Code 2022, is amended to read as follows:

23     *"Exhaustee"* means an individual who, with respect to any  
24 week of unemployment in the individual's eligibility period  
25 has received, prior to such week, all of the regular benefits  
26 that were available to the individual under **this chapter** or any  
27 other state law, including ~~dependents' allowances and~~ benefits  
28 payable to federal civilian employees and former armed forces  
29 personnel under 5 U.S.C. ch. 85, in the individual's current  
30 benefit year that includes such weeks. Provided that for the  
31 purposes of **this subsection** an individual shall be deemed to  
32 have received all of the regular benefits that were available  
33 to the individual, although as a result of a pending appeal  
34 with respect to wages that were not considered in the original  
35 monetary determination in the individual's benefit year the

1 individual may subsequently be determined to be entitled to add  
2 regular benefits, or:

3 Sec. 3. Section 96.1A, Code 2022, is amended by adding the  
4 following new subsections:

5 NEW SUBSECTION. 34A. "*Statewide average unemployment rate*"  
6 means the average seasonally adjusted unemployment rate as  
7 published by the department in the third week of the month  
8 prior to the current calendar month.

9 NEW SUBSECTION. 43. "*Work search*" means any of the  
10 following:

11 a. Applying for a job by submitting a resume or application  
12 to a potential employer in person, through the mail, by  
13 electronic means, or by fax transmission.

14 b. Interviewing for a job virtually or in person.

15 c. Taking a civil service exam.

16 d. Taking a military aptitude exam.

17 Sec. 4. Section 96.3, subsection 4, Code 2022, is amended  
18 to read as follows:

19 4. *Determination of benefits.*

20 ~~a. With respect to benefit years beginning on or after July~~  
21 ~~1, 1983, an~~ An eligible individual's weekly benefit amount for  
22 a week of total unemployment shall be an amount equal to the  
23 following fractions of the individual's total wages in insured  
24 work paid during that quarter of the individual's base period  
25 in which such total wages were highest. The director shall  
26 determine annually a maximum weekly benefit amount equal to  
27 the following percentages, to vary ~~with the number of~~ based on  
28 whether the individual has dependents, of the statewide average  
29 weekly wage paid to employees in insured work which shall be  
30 effective the first day of the first full week in July:

31 If the	The weekly	Subject to
32 number of	benefit amount	the following
33 dependents	shall equal	maximum
34 is:	the following	percentage of
35	fraction of high	the statewide

1	quarter wages:	average
2		weekly wage:
3 0	1/23	53%
4 1 <u>or more</u>	1/22	<del>55%</del> <u>57%</u>
5 2	<del>1/21</del>	<del>57%</del>
6 3	1/20	60%
7 <del>4 or more</del>	<del>1/19</del>	<del>65%</del>

8     *b.* The maximum weekly benefit amount, if not a multiple  
9 of one dollar, shall be rounded to the lower multiple of one  
10 dollar. ~~However, until such time as sixty-five percent of~~  
11 ~~the statewide average weekly wage exceeds one hundred ninety~~  
12 ~~dollars, the~~ The maximum weekly benefit amounts shall be  
13 determined using the statewide average weekly wage computed on  
14 the basis of wages reported for the current calendar year ~~1981~~.  
15 ~~As used in this section, "dependent" means dependent as defined~~  
16 ~~in section 422.12, subsection 1, paragraph "a", as if the~~  
17 ~~individual claimant was a taxpayer, except that an individual~~  
18 ~~claimant's nonworking spouse shall be deemed to be a dependent~~  
19 ~~under this section. "Nonworking spouse" means a spouse who does~~  
20 ~~not earn more than one hundred twenty dollars in gross wages~~  
21 ~~in one week.~~

22     Sec. 5. Section 96.3, subsection 5, paragraph a, Code 2022,  
23 is amended to read as follows:

24     *a. Duration of benefits.*

25     (1) The maximum total amount of benefits payable to an  
26 eligible individual during a benefit year shall not exceed the  
27 total of the wage credits accrued to the individual's account  
28 during the individual's base period, ~~or twenty-six times the~~  
29 ~~individual's weekly benefit amount, whichever is the lesser.~~

30     (2) Additionally, the maximum total amount of benefits  
31 payable to an eligible individual during a benefit year shall  
32 not exceed the following, calculated on the date the individual  
33 applied for benefits:

34     (a) Twelve times the individual's weekly benefit amount if  
35 the statewide average unemployment rate is at or below four

1 percent.

2     (b) One additional multiple of the individual's weekly  
3 benefit amount for each increment of one percent the statewide  
4 average unemployment rate is above four percent, up to a  
5 maximum of sixteen times the individual's weekly benefit  
6 amount.

7     (c) However, if the governor has declared a statewide  
8 disaster emergency pursuant to section 29C.6, the amount shall  
9 instead be twenty times the individual's weekly benefit amount  
10 for the duration of the emergency.

11     (d) However, if the state "off" indicator is in effect and  
12 if the individual is laid off due to the individual's employer  
13 going out of business at the factory, establishment, or other  
14 premises at which the individual was last employed, the maximum  
15 benefits payable as provided in subparagraph division (a), (b),  
16 or (c), as applicable, shall be extended by fifty percent of  
17 the amount provided in subparagraph division (a), (b), or (c),  
18 as applicable.

19     (3) If, on the date an individual exhausts all benefits  
20 payable to the individual, the statewide average unemployment  
21 rate has increased so that the maximum total amount of benefits  
22 for benefit applicants on that date is greater than the maximum  
23 amount determined for the individual pursuant to subparagraph  
24 (2), then the individual shall receive additional multiple  
25 weekly benefits to make up the difference.

26     (4) The director shall maintain a separate account for  
27 each individual who earns wages in insured work. The director  
28 shall compute wage credits for each individual by crediting the  
29 individual's account with one-third of the wages for insured  
30 work paid to the individual during the individual's base  
31 period. However, the director shall recompute wage credits  
32 for an individual who is laid off due to the individual's  
33 employer going out of business at the factory, establishment,  
34 or other premises at which the individual was last employed, by  
35 crediting the individual's account with one-half, instead of

1 one-third, of the wages for insured work paid to the individual  
2 during the individual's base period. Benefits paid to an  
3 eligible individual shall be charged against the base period  
4 wage credits in the individual's account which have not been  
5 previously charged, in the inverse chronological order as the  
6 wages on which the wage credits are based were paid. However  
7 ~~if the state "off" indicator is in effect and if the individual~~  
8 ~~is laid off due to the individual's employer going out of~~  
9 ~~business at the factory, establishment, or other premises at~~  
10 ~~which the individual was last employed, the maximum benefits~~  
11 ~~payable shall be extended to thirty-nine times the individual's~~  
12 ~~weekly benefit amount, but not to exceed the total of the wage~~  
13 ~~credits accrued to the individual's account.~~

14 Sec. 6. Section 96.3, subsection 5, paragraph b,  
15 subparagraph (3), Code 2022, is amended to read as follows:

16 (3) The training extension benefit amount shall be  
17 ~~twenty-six times a multiple of~~ the individual's weekly  
18 benefit amount provided in paragraph "a", subparagraph (2),  
19 subparagraph division (a), (b), or (c), as applicable, and the  
20 weekly benefit amount shall be equal to the individual's weekly  
21 benefit amount for the claim in which benefits were exhausted  
22 while in training.

23 Sec. 7. Section 96.4, subsection 3, Code 2022, is amended  
24 to read as follows:

25 3. a. The individual is able to work, is available for  
26 work, and is earnestly and actively seeking work.

27 b. (1) A person shall be required, at a minimum, to meet  
28 the following requirements to be deemed earnestly and actively  
29 seeking work:

30 (a) If the number of available jobs is at or above sixty  
31 thousand, the person must complete a minimum of six work  
32 searches for each week the person applies for benefits.

33 (b) If the number of available jobs is at or above fifty  
34 thousand but below sixty thousand, the person must complete a  
35 minimum of five work searches for each week the person applies

1 for benefits.

2 (c) If the number of available jobs is below fifty thousand,  
3 the person must complete a minimum of four work searches for  
4 each week the person applies for benefits.

5 (2) A work search shall not satisfy the requirements of this  
6 paragraph if the individual previously applied for the same  
7 position within the most recent four weeks.

8 (3) If the individual has received six or more payments of  
9 benefits for a benefit year, at least half of the individual's  
10 work searches shall be from a list of known available jobs  
11 provided by the department pursuant to section 96.33.

12 (4) For the purposes of this paragraph, "the number of  
13 available jobs" means the number of jobs listed as available as  
14 published by the department on the most recent third calendar  
15 week of a month.

16 c. This subsection is waived if the individual is deemed  
17 partially unemployed, while employed at the individual's  
18 regular job, as defined in section 96.1A, subsection 37,  
19 paragraph "b", subparagraph (1), or temporarily unemployed  
20 as defined in section 96.1A, subsection 37, paragraph "c".  
21 The work search requirements of this subsection and the  
22 disqualification requirement for failure to apply for, or  
23 to accept suitable work of section 96.5, subsection 3, are  
24 waived if the individual is not disqualified for benefits under  
25 section 96.5, subsection 1, paragraph "h".

26 ~~b.~~ d. Notwithstanding any provision of this chapter to the  
27 contrary, the department may establish by rule a process to  
28 waive or alter the work search requirements of this subsection  
29 for a claim for benefits if an individual has a reasonable  
30 expectation that the individual will be returning to employment  
31 and is attached to a regular job or industry or a member in  
32 good standing of a union therein eligible for referral for  
33 employment. To be considered attached to a regular job or  
34 industry, an individual must be on a short-term temporary  
35 layoff. If work is not available at the conclusion of the

1 layoff period due to short-term circumstances beyond the  
2 employer's control, the employer may request an extension  
3 of the waiver or alteration for up to two weeks from the  
4 department. For purposes of this paragraph, "*short-term*  
5 *temporary layoff*" means a layoff period of sixteen weeks or  
6 less due to seasonal weather conditions that impact the ability  
7 to perform work related to highway construction, repair, or  
8 maintenance with a specific return-to-work date verified by the  
9 employer.

10 Sec. 8. Section 96.4, Code 2022, is amended by adding the  
11 following new subsections:

12 NEW SUBSECTION. 8. The individual has satisfied a single  
13 one-week waiting period during the individual's benefit year.  
14 To satisfy the one-week waiting period, the individual, with  
15 respect to the week in question, must otherwise be eligible  
16 for benefits from this state, must not have received or have  
17 payable benefits from this state, and must not be eligible for  
18 benefits from another state.

19 NEW SUBSECTION. 9. The individual has completed one search  
20 activity each week from a list of permissible search activities  
21 as designated by the department. This shall be in addition  
22 to the requirements under subsection 3. A search activity  
23 shall only meet the requirements of this subsection if the  
24 individual has not previously performed that type of search  
25 activity during the individual's benefit year in order to  
26 remain eligible under this subsection. The department shall  
27 adopt rules to implement this subsection.

28 NEW SUBSECTION. 10. The individual has listed the email  
29 address and the identification number the individual received  
30 pursuant to section 96.33 on each application the individual  
31 has used to satisfy the requirements of this section.

32 NEW SUBSECTION. 11. The individual has performed at  
33 least twenty hours of civic work each week as defined by the  
34 department by rule. Civic work shall include but not be  
35 limited to roadside trash pickup, public building and park



1 beautification projects, and volunteering at public schools.  
2 This subsection shall only apply if the individual has received  
3 sixteen or more payments of benefits for a benefit year and the  
4 individual is eligible to receive additional payments pursuant  
5 to section 96.3, subsection 5, paragraph "a", subparagraph (1),  
6 subparagraph division (c).

7     Sec. 9. NEW SECTION.   **96.33 Applicant auditing.**

8     1. The department shall conduct audits of the information  
9 an individual provides to satisfy the requirements of section  
10 96.4 at a minimum once each month to ensure the individual is  
11 meeting all eligibility requirements for benefits. Audits  
12 conducted pursuant to this section shall include but not be  
13 limited to sending a form to employers who the individual  
14 claims to have interviewed with for employment for the purpose  
15 of collecting all of the following information:

16     a. The employer's employer identification number.

17     b. The individual's identification number provided by the  
18 department pursuant to subsection 2.

19     c. The date the employer received the individual's  
20 application.

21     d. Whether the individual appeared for the interview.

22     e. Whether the individual rejected an offer of employment  
23 for the position for which the individual was applying.

24     f. The date the individual rejected an offer of employment,  
25 if any.

26     g. The title, wage, and estimated weekly salary for the  
27 position for which the individual was applying.

28     2. Upon initially determining an individual is eligible for  
29 benefits, the department shall issue an identification number  
30 and an email address to the individual. The email address  
31 shall be accessible to both the individual and the department  
32 and shall be the individual's primary source of receiving  
33 emails for work searches the individual uses to satisfy the  
34 requirements of section 96.4.

35     3. The department shall provide on a weekly basis to an

1 individual applying for benefits a list of known available  
2 jobs within a fifty-mile radius of the applicant's residence  
3 in fields related to the employment the applicant had within  
4 the most recent ten years, in fields which the applicant  
5 has identified an interest, or that require skills that the  
6 applicant claimed to have when applying for benefits.

7 Sec. 10. Section 96.5, subsection 3, paragraph a,  
8 subparagraph (1), subparagraph divisions (a), (b), (c), and  
9 (d), Code 2022, are amended to read as follows:

10 (a) One hundred percent, if the work is offered during the  
11 first ~~five~~ four weeks of unemployment.

12 (b) Seventy-five percent, if the work is offered during the  
13 ~~sixth~~ fifth through the ~~twelfth~~ eighth week of unemployment.

14 (c) Seventy percent, if the work is offered during the  
15 ~~thirteenth~~ ninth through the ~~eighteenth~~ twelfth week of  
16 unemployment.

17 (d) Sixty-five percent, if the work is offered after the  
18 ~~eighteenth~~ twelfth week of unemployment.

19 Sec. 11. DEPARTMENT OF WORKFORCE DEVELOPMENT —

20 UNEMPLOYMENT INSURANCE RULES. The department of workforce  
21 development shall adopt or amend its administrative rules  
22 pursuant to chapter 17A to provide for all of the following:

23 1. Set the number of search activities acceptable to meet  
24 the requirements of section 96.4, subsection 9, to sixteen  
25 different types of activities.

26 2. Allow employers to protest a payment of unemployment  
27 benefits and protest and sign a notice of claim electronically  
28 using a form created by the department.

29 Sec. 12. EFFECTIVE DATE. This Act takes effect January 1,  
30 2023.

31 EXPLANATION

32 The inclusion of this explanation does not constitute agreement with  
33 the explanation's substance by the members of the general assembly.

34 This bill relates to unemployment benefits.

35 The bill defines "nonparticipating workforce rate" as the

1 portion of the population that is not employed or earnestly  
2 and actively seeking work. The bill defines "workforce  
3 term" as the nonparticipating workforce rate, the state  
4 unemployment rate, or the number of known, available jobs in  
5 Iowa as published by the department of workforce development  
6 (IWD). The bill requires that, when a state agency makes a  
7 reference to the state unemployment rate in an official written  
8 statement from the agency or a report or other document that  
9 is published and available to the public, the agency shall  
10 include a reference to the nonparticipating workforce rate.  
11 The bill also requires that when the IWD makes a reference to a  
12 workforce term in an official written statement or a report or  
13 other document that is published and available to the public,  
14 the IWD must also reference each other workforce term.

15 The bill defines "statewide average unemployment rate" as  
16 the average seasonally adjusted unemployment rate in this state  
17 as published by the department in the third week of the month  
18 prior to the current calendar month.

19 The bill defines "work search" as applying for a job by  
20 submitting a resume or application to a potential employer  
21 in person, through the mail, by electronic means, or by fax  
22 transmission; interviewing for a job virtually or in person;  
23 taking a civil service exam; or taking a military aptitude  
24 exam.

25 The bill strikes language providing that an eligible  
26 individual's maximum weekly benefit amount varies with the  
27 number of the individual's dependents. The bill instead  
28 provides that an individual with dependents will have a weekly  
29 benefit amount of 1/22 the individual's highest gross quarterly  
30 salary during the individual's base period, subject to a  
31 maximum of 57 percent of the statewide average weekly wage.

32 Under current law, the maximum total amount of unemployment  
33 benefits payable to an eligible individual in a benefit year  
34 cannot exceed 26 times the individual's weekly benefit amount,  
35 among other limitations. The bill provides that the maximum

1 total amount of unemployment benefits payable to an eligible  
2 individual in a benefit year cannot exceed 12 times the  
3 individual's weekly benefit amount if the statewide average  
4 unemployment rate, as defined in the bill, is at or below 4  
5 percent, calculated on the date the individual applied for  
6 benefits. The bill provides for one additional multiple of  
7 the individual's weekly benefit amount for each increment of  
8 1 percent the statewide average unemployment rate is above 4  
9 percent, up to a maximum of 16 times the individual's weekly  
10 benefit amount. If the governor has declared a statewide  
11 disaster emergency, the amount shall instead be 20 times the  
12 individual's weekly benefit amount for the duration of the  
13 emergency.

14 The bill provides that if, on the date an individual exhausts  
15 all unemployment benefits payable to the individual, the  
16 statewide average unemployment rate has increased so that the  
17 maximum total amount of benefits for benefit applicants on  
18 that date is greater than the maximum amount determined for  
19 the individual, then the individual shall receive additional  
20 multiple weekly benefits to make up the difference.

21 The bill makes related changes to training extension  
22 benefits and certain other unemployment benefits available when  
23 an individual is laid off due to the individual's employer  
24 going out of business at the factory, establishment, or other  
25 premises.

26 The bill requires a person applying for unemployment  
27 benefits to complete a certain number of work searches, based  
28 on the number of jobs listed as available as published by the  
29 IWD on the most recent third calendar week of a month, for  
30 each week the person is applying for benefits in order to be  
31 eligible for benefits. If the number of available jobs is at  
32 or above 60,000, the person must complete a minimum of six  
33 work searches each week; if the number of available jobs is  
34 at or above 50,000 but below 60,000, the person must complete  
35 a minimum of five work searches each week; and if the number

1 of available jobs is below 50,000, the person must complete a  
2 minimum of four work searches each week. A work search shall  
3 not satisfy an individual's eligibility requirements if the  
4 individual previously applied to the same position within the  
5 most recent four weeks.

6 The bill requires that, if an individual has received six  
7 or more payments of benefits for a benefit year, at least half  
8 of the work searches the individual uses to meet eligibility  
9 requirements must be from a list of known available jobs within  
10 a 50-mile radius of the individual's residence in fields  
11 related to employment the applicant held within the most recent  
12 10 years, in fields which the applicant has identified an  
13 interest, or that require skills that the individual claimed  
14 to have when applying for benefits. The bill requires IWD to  
15 provide the individual a list of these jobs on a weekly basis.

16 The bill requires an individual to first satisfy a single  
17 one-week waiting period during the individual's benefit year  
18 prior to receiving unemployment compensation. To satisfy the  
19 one-week waiting period, the individual, with respect to the  
20 week in question, must otherwise be eligible for unemployment  
21 benefits from this state, must not have received or have  
22 payable unemployment benefits from this state, and must not be  
23 eligible for unemployment benefits from another state.

24 The bill requires a person applying for unemployment  
25 benefits to complete one search activity each week as  
26 designated by IWD in order to be eligible for unemployment  
27 benefits. The search activities are in addition to other  
28 work search requirements to receive unemployment benefits.  
29 A search activity shall only meet eligibility requirements  
30 if the individual has not previously performed that type of  
31 search activity during the individual's benefit year in order  
32 to remain eligible. The bill directs IWD to adopt rules to  
33 implement this requirement.

34 The bill requires IWD to provide an individual applying  
35 for unemployment benefits with an email address and an

1 identification number upon the department's initial  
2 determination that the individual is eligible for benefits.  
3 The email address shall be accessible to both the individual  
4 and the department, and shall be the individual's primary  
5 source of receiving emails for work searches the individual  
6 uses to satisfy unemployment benefit eligibility requirements.  
7 The bill also requires the individual to list the email  
8 address and the identification number on each application  
9 the individual uses in order to maintain eligibility for  
10 unemployment benefits.

11 The bill requires that, if the individual has received 16  
12 payments of benefits for a benefit year and the individual  
13 is eligible to receive extended payments due to a statewide  
14 disaster declaration issued by the governor, the individual  
15 shall perform at least 20 hours of civic work each week as  
16 defined by IWD by rule in order to maintain eligibility for  
17 unemployment benefits. Civic work shall include but not be  
18 limited to roadside trash pickup, public building and park  
19 beautification projects, and volunteering at public schools.

20 The bill requires IWD to conduct audits of the information  
21 an individual provides at a minimum once each month to ensure  
22 the individual is meeting all eligibility requirements for  
23 unemployment benefits. Audits conducted shall include but not  
24 be limited to sending a form to employers who the individual  
25 claims to have interviewed with for employment for the purpose  
26 of collecting the employer's employer identification number;  
27 the individual's identification number provided by the  
28 department; the date the employer received the individual's  
29 application; whether the individual appeared for the interview;  
30 whether the individual rejected an offer of employment for the  
31 position for which the individual was applying; the date the  
32 individual rejected an offer of employment, if any, and the  
33 title, wage, and estimated weekly salary for the position for  
34 which the individual was applying.

35 A failure to accept an offer of or apply for available

1 suitable work may affect an individual's eligibility for  
2 unemployment benefits. IWD uses certain criteria to determine  
3 whether work is considered suitable, including whether the  
4 offered or available work meets or exceeds an individual's  
5 highest gross weekly salary during the individual's base  
6 period. The bill changes the percentages the salary available  
7 or offered work must meet or exceed in order to be considered  
8 suitable. Work must meet or exceed 100 percent of the base  
9 period salary, if the work is offered during the first four  
10 weeks of unemployment; 75 percent if the work is offered during  
11 the 5th through the 8th week of unemployment; 70 percent if  
12 the work is offered during the 9th through the 12th week of  
13 unemployment; and 65 percent if the work is offered after the  
14 12th week of unemployment. Previously, work offered must  
15 exceed 100 percent of the base period salary, if the work is  
16 offered during the first five weeks of unemployment; 75 percent  
17 if the work is offered during the 6th through the 12th week of  
18 unemployment; 70 percent if the work is offered during the 13th  
19 through the 18th week of unemployment; and 65 percent if the  
20 work is offered after the 18th week of unemployment.

21 The bill makes a conforming change to Code section 96.1A,  
22 subsection 18.

23 The bill requires IWD to adopt or amend its administrative  
24 rules to set the number of search activities acceptable to  
25 meet the work search requirements for unemployment benefit  
26 eligibility to 16 different types of activities and allow  
27 employers to protest a payment of unemployment benefits and  
28 protest and sign a notice of claim electronically using a form  
29 created by IWD.

30 The bill takes effect January 1, 2023.